



# JTPA

Number: D95-28

Serving the People of California

DIRECTIVE

Date: February 1, 1996

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TO: SERVICE DELIVERY AREA ADMINISTRATORS  
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS  
JTPD PROGRAM OPERATORS  
EDD JOB SERVICE OFFICE MANAGERS  
JTPD STAFF

SUBJECT: PROCEDURES FOR ADMINISTERING SEPARATE TITLE II-B  
APPROPRIATIONS AND FOR TRANSFERRING FUNDS

## EXECUTIVE SUMMARY

### **Purpose:**

On July 27, 1995, the President signed Public Law (PL) 104-19. This legislation makes rescissions to the Job Training Partnership Act (JTPA) funding for Program Year (PY) 1995-96 retroactive to July 1, 1995. The bill also allows Service Delivery Area (SDA) Administrators to transfer up to 50 percent of funding between Title II-B and Title II-C. This Directive contains instructions on various administrative actions needed in order to transfer funds.

Additionally, as noted in Information Bulletin B95-13, the funds for the 1995 Summer Youth Employment Training Program (SYETP) were issued under two separate appropriations. One appropriation is accounted for under PY 1994-95 and the other under PY 1995-96. This Directive provides guidance on the administration of these funds.

This Directive also transmits Department of Labor (DOL) JRB #21-95, Subject: Questions Regarding Title II-B Program Operations and Inter-Title Transfers.

### **Scope:**

The guidance in this Directive applies to Job Training Plan changes and other administrative actions related to split year funding for SYETP 1995 and to inter-title fund transfers allowed under the provisions of PL 104-19. This Directive also discusses the cost compliance, fund utilization, reporting and Job Training Plan adjustment implications of this split year funding.

**Effective Date:**

The guidance in this Directive is effective immediately.

**REFERENCES:**

- Public Law 104-6
- Public Law 104-19
- JTPA §104(c); §108; §109; §164; and §165
- Code of Federal Regulations, Title 20 (20 CFR) §627.410; §628.420(e)(2); §628.550
- JTPA Interim Directive 94-02, including Amendments 2 and 3
- JTPA Directive D95-09
- JTPA Information Bulletin B95-13
- JTPA Information Bulletin B95-17

**STATE-IMPOSED REQUIREMENTS:**

This Directive contains state-imposed requirements. These are printed in ***bold, italic type***.

**FILING INSTRUCTIONS:**

Retain this Directive until further notice.

**BACKGROUND:**

A number of factors have resulted in the need for additional guidance on the administration of SYETP 1995 funds. First, the funds for SYETP 1995 were issued under two separate appropriations, which required the funds to be accounted for under two separate program years. Additionally, the changes enacted under PL 104-6 and PL 104-19 contained funding rescissions that required SDAs to submit changes to the Job Training Plan. The changes in Public Law 104-19 also allow SDAs to transfer up to 50 percent of funding between Title II-B and Title II-C. The DOL has provided additional guidance on the administrative actions needed to account for the split year funding of SYETP 1995, and to accomplish the fund transfers.

**POLICY AND PROCEDURES:**

Since split year funding and transfers affect a number of administrative areas, the procedures listed below are divided by topic area.

**I. REPORTING**

The SYETP allocations for calendar year 1995 were obligated under two different program years. The first allotment of funds, the largest amount, was allotted under PY 1994-95. The second amount was allotted under PY 1995-96. Accordingly, the state distributed SDA allocations in two different Title II master subgrants.

The DOL requires that the expenditure of different program year funds be reported separately. The SDAs must complete two separate expenditure reports for the Calendar Year 1995 SYETP: one for the PY 1994-95 funds and one for the PY 1995-96 funds.

## II. TRANSFERS

The PL 104-19 now permits the transferring between JTPA Titles II-B and II-C of up to 50 percent of the funds allocated to them. (Previous law permitted only 20 percent of the funds allocated to Title II-B to be transferred to Title II-C.) The funds for SYETP 1995 have been allocated in two separate program years--1994-95 and 1995-96. Therefore, any transfers between Titles II-B and II-C must take place within the appropriate PY and master subgrant.

For example, assume an SDA's allocation for SYETP 1995 was \$800,000 of PY 1994-95 funds (in the G500XXX subgrant), and \$200,000 of PY 1995-96 funds (in the G600XXX subgrant), for a total of one million dollars. The SDA would be entitled to transfer a maximum total of \$500,000 from Title II-B to Title II-C. This could be accomplished by transferring \$400,000 within the PY 1994-95 allocation and \$100,000 within the PY 1995-96 allocation. **It is also allowable to transfer more than 50 percent from either the PY 1994-95 or PY 1995-96 allocation as long as the total does not exceed 50 percent of the total of the two years' allocations. (See Question 13 in the attached JRB #21-95 for recent DOL guidance.)**

Although SDAs can transfer funds in either direction between Title II-B and Title II - C, caution should be exercised on the amount transferred from Title II-B to Title II-C. SDAs unsure of the total amount they wish to transfer from Title II-B to Title II-C are encouraged to make multiple transfers of amounts less than the full 50 percent.

These transfers can take place any time during the three year life of the funds. However, SDAs are encouraged to document their intention to transfer funds in the revised Two Year Plan pages attached. (See Section V. Plan Adjustment.) ***For those wishing to effect a transfer immediately, provide the following information to your Program Manager:***

***SDA Name***

***Master Subgrant Number***

***Program Year***

***Direction of Transfer (Title II-B to Title II-C or Title II-C to Title II-B)***

***Amount of Transfer***

***Contact Person***

***Contact Person's Telephone Number***

***Date of Request.***

The Job Training Partnership Division (JTPD) Financial Management Unit will unilaterally transfer funds in the SDA's master subgrant.

### III. FUND UTILIZATION

***At the State Job Training Coordination Council (SJTCC) meeting on September 12, 1995, the Policy Committee recommended to waive the recapture provisions for Title II-B funds for SYETP 1995. This will allow SDAs the option of "carrying over" more than 20 percent of the funds available to them for the summer of 1995 to provide services in the summer of 1996, if they choose to operate a reduced summer program next year. If not, they can transfer unspent PY 1994-95 and/or PY 1995-96 funds to Title II-C. The transfer cannot exceed 50 percent of the amount allocated for SYETP 1995.***

### IV. COST COMPLIANCE REQUIREMENTS

The SDAs need to be aware of the effect of transfer of funds on cost compliance limits on the remaining Title II-B balances. The JTPD will calculate the Title II-B 15 percent administration (cost compliance) limitation separately for the two years of allocation (Year of Allocation), PY 1994-95 and PY 1995-96, although the funds are used contiguously to administer one program for the summer of 1995.

### V. PLAN ADJUSTMENTS

The SDAs have received copies of Directive D95-09, Subject: Job Training Plan Adjustments Based on Funding Rescissions, dated August 15, 1995. This Directive contained instructions for preparing and submitting plan adjustments necessitated by rescissions of JTPA funding.

***In addition to these adjustments, SDAs may submit adjustments to accommodate split year funding and to transfer funds between Title II-B and Title II-C. For your convenience, revised Job Training Plan forms for Section 8, Fund Transfer Declaration, and Profile of Available Funding, are attached. If you have not already sent this information in response to JTPA Directive D95-09, please complete the attached plan adjustment pages to reflect split year funding and any planned fund transfers between Titles II-B and II-C. When completed, the plan adjustment pages should be submitted by March 15, 1996, as an addendum to the Plan Adjustments submitted under JTPA Directive D95-09.***

### VI. SYETP FOR 1996

Public Law 104-19 did not remove the language in the JTPA Title II-B related to the operation of the SYETP. However, all funding for the SYETP 1996 was removed. The SDAs who choose to conduct a reduced summer youth program in 1996 using Title II-B funds from previous years' programs, may do so. SYETP 1995 funds are available for three years like all other JTPA funds. The PY 1994-95 Title II-B funds expire on June 30, 1997; the PY 1995-96 Title II-B funds expire on June 30, 1998. Further congressional action may affect this guidance.

**ACTION:**

Bring this Directive to the attention of all affected staff.

**INQUIRIES:**

If you have any questions about the information contained in this Directive, please contact your Program Manager.

/S/ VICKI J. JOHNSRUD  
Acting Chief

Attachments are not available online. To obtain a copy e-mail JTPD at JTPDLIB@EDD.CA.GOV (subject line should read: "Attachment"), or contact Jim Scholl at (916) 657-4610.

1. Department of Labor, Employment and Training Administration  
JRB# 21-95, Questions Regarding Title II-B Program Operations and  
Inter-Title Transfers
2. JTPA Job Training Plan, Part II - Section 8, Program Planning Budgets